Social Business Plan Outline

Developing a sustainable business plan for a social mission based organization is critical to the organizations success. The Social Business Plan can be a nonprofit, for-profit or hybrid organization. Exploring a theory of change model prior to writing a social business plan, will help a social entrepreneur stay focused on the end impact of the organization.

I. Executive Summary

Value Proposition: Provide a summary of the key elements in the plan.

- Core business concept and opportunity that created the business concept
- The organizations theory of change and end social impact
- The beneficiary target market and value created for beneficiaries
- The management team's competitive advantage
- Internal infrastructure that will serve the needs of beneficiaries/customers
- Building a sustainable financial plan and achieving breakeven profitability
- Three years of estimated revenues and net income and funding requirements
- Galvanizing resource model
- Estimated quantitative social impact

I. Executive Summary
Value Proposition: Provide a summary of the key elements in the plan.

II. Theory of Change
Value Proposition: End impact your organization seeks to achieve.

III. Sustainable Social Venture B-Model

A. Social Value Proposition
VP: How does your organization create value?

B. Social Business Market Opportunity
VP: What is the market opportunity?

C. Management Team Infrastructure
VP: Who will serve the beneficiaries?

D. Sales & Marketing Plan
VP: How will you communicate with your customers.

E. Implementation Strategy
VP: How can we reach our target audience to build a successful social venture?

F. Building a Sustainable Financial Plan
VP: How do we make money/breakeven?

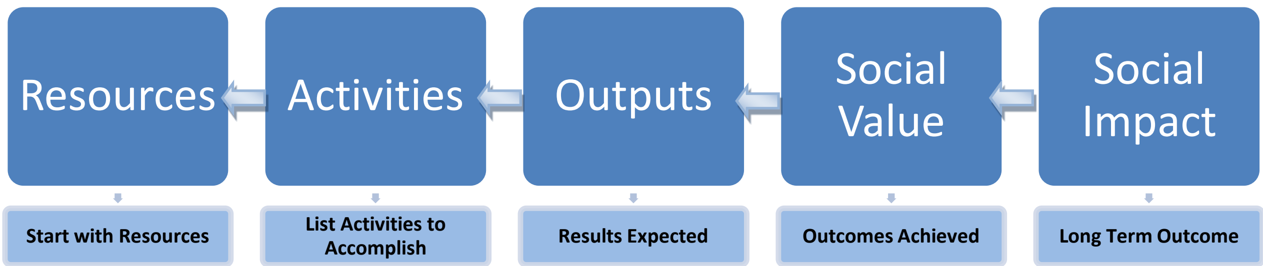
IV. Social Impact Plan
Value Added: How much social value can your organization create?

II. Theory of Change

Value Proposition: What is the end impact your organisation seeks to achieve?

- *The theory of change model starts with the social impact the organisation wants to achieve. The theory of change concept is unique from other processes where you start with a plan and work your way through the plan. The theory of change has you start with the end goal—to end poverty, to alleviate homelessness, to employ disadvantaged workers, to educate youth, to empower women, etc. and then work your way backwards to accomplish your theory of change. Ultimately, all social ventures want to achieve as much social value as possible. The more social value that is created, the greater the social impact achieved.*
- Explain the theory of change in the opening paragraph. Then briefly explain each area of the visual on the theory of change.

- ***Social Impact***: End goal that you want to achieve
- ***Social Value***: Outcomes that your organisation will achieve to create social value
- ***Outputs***: Outputs you document are the expected results of your organisations activities. Keep in mind it is important to be able to measure the output (the number of children educated the number of youth taken off the streets, the number of people employed, children vaccinated, etc.).
- ***Activities***: Activities are the things that your organisation does to achieve the end outputs (e.g. activities can range from hosting a job fair for the unemployed, training youth on HIV/AIDS awareness, hosting a water sanitation workshop or others).
- ***Resources***: Resources needed to accomplish the project can be natural resources (land, water, trees), technological resources (computers), human resources (people), financial resources (money) or informational resources (knowledge).
- Visually depict your theory of change and write an introduction paragraph explaining the theory of change for your organisation.



The Theory of Change model was inspired by Carol Weiss (1972) when she researched small steps lead to long term goal attainment. For more information on the theory of change, go to www.theoryofchange.org

I. Sustainable Social Venture Model

A sustainable social venture model is how the social venture solves the social problem and does it in a sustainable way. The social venture business model includes the social value proposition; service beneficiaries value creation, management team infrastructure, operations plan, sustainable financial plan, and resource model.

A. Social Value Proposition

Value Proposition: How does your organization create value?

Clear, Concise and Compelling Concept Statement that is Aligned with the Social Mission Statement (think Social Need or Problem Being Solved)

- ***Innovative Product/Service to Meet the Social Need***, and the Unique Product/Service Benefits and how the organization will continuously adapt the innovation and learn to make improvements
- ***Difference Making*** – the Value proposition communicate how you will create value for customers
- **Social Impact Measures**– What ***social impact measures*** will you use to prove the impact of the venture? List the various impact measures and how you will collect the data.

B. Social Business Market Opportunity

Value Proposition: What is your market opportunity?

Clear, Concise and Compelling Concept Statement that is Aligned with the Social Mission

- ***Customer Segments*** including the Target Market that will Benefit from the Product/Service (Community Members, Regional Beneficiaries or International Recipients). Discuss the beneficiaries of the product or service as well
- ***Environmental Assessment*** (Economic, Political-Regulatory, Social-Cultural, Natural, Technological, Demographic, etc.) forces that are affecting the business environment.
- ***Sustainable Competitive Advantage*** and Competitor Profile (including analysis of current competition)

C. Management Team

Value Proposition: Who will serve the beneficiaries?

- ***Key Management Team*** including Experience, Expertise and Developing an Entrepreneurial Culture
- ***Employee Needs*** including employee requirements, skills and qualifications and passion for the social mission and job descriptions as appropriate
- ***Ownership Structure***, Board of Directors/Advisors and Reporting Structure
- ***Legal Structure*** of organization (in the United States: For-profit C-corp, S-corp, Benefit Corporation, LLC, partnership/sole proprietorship or nonprofit).
- ***Key Stakeholders*** (Funders, Clients, Employees, Volunteers, Community)
- ***Address the Accountability to Constituencies*** served by the organization.

D. Sales & Marketing Plan

Value Proposition: How will your communicate with customers?

- ***Introduction*** Product unique Product/Service Benefits
- ***Pricing*** Structure including Gross Margin and Potential to Breakeven
- ***Promotion*** of the product or service and give strategies as well as personnel selling strategies
- ***Distribution*** channels for your product or service to customers

•MARKETING MIX: THE 4 P'S

Price
- Pricing structure (keep in mind how to become sustainable)

Product
- Unique product/service features.
- How will the product meet the needs of the target benficiares.

Place
- How will the product/service get to the customer?

Promotion
- Promotional strategies include advertising, personal one-on-one selling, sales promotions, publicity, direct interactive marketing.

E. Implementation Strategy

Value Proposition: How can we reach our target audience to build a successful social venture?

- ***Introduction*** of section
- Discuss the ***Key Partnerships*** for the social venture. Who will help you to deliver the activities?
- ***Delivery*** including what activities the business does and what resources the business owns (Physical Resources, Technological, Human, Financial or Informational Resources)
- ***Milestone chart*** of what your timeline is to accomplish the launch of the final social change project.
- The ***sales and marketing strategy*** (covered in another section).

III.Building a Sustainable Financial Plan

Value Proposition: How do we make money/breakeven?

- ***Introduction*** Overview of the Financial Information
- ***Initial Investment Required*** (Startup Capital)
- ***Funding Sources*** including Potential Grants, Donations, Fundraisers, Special Events, developing an Endowment, and Patient Capital as well as unconventional funding sources (i.e. bootstrapping)
- ***Revenue Projections*** including Potential Income from Beneficiaries
- ***Cost of Delivery*** including how much it is expected it to cost for each product/ service to a customer. There are a variety of ways to look at the cost of delivery.

- ***Surplus*** including what will be done with any surplus along with the Profit Potential/Ability to Breakeven
- ***Financial Statements*** – Include Financial Statements (including Assumptions): Income Statement, Cash Flow Statement, Balance Sheet (3 years), Ratio Analysis

IV. Social Impact Plan

Value Added: How much social value can your organization create?

- ***Social and Environmental Impact Goals*** for meeting the organization's social mission (how the organization will address economic development, community involvement, environmental practices, fair governance, hiring and workplace practices, sourcing and supply chain that will help you achieve your social mission)
- Collecting and ***Using Measurement Data*** including Direct Impact, Indirect Impact and Systematic Impact
- ***Performance Metrics*** (Social Return on Investment, Triple Bottom Line including 3P's People, Profit, Planet), etc. (Note: include key assumptions in your assessment of how you will achieve these goals)
- ***Impact Levels***: Local, Regional, National, International
- ***Scaling Social Impact*** through Scaling Up, Out and Deep
- ***Dissemination/Sharing of Knowledge***
- ***Milestone Measurements***
- Note: The Global Social Venture Competition has a number of impact assessment guidelines that maybe helpful to review

Note: At the end of the day, true social impact is defined as the value your venture provides beyond the current status quo (i.e. what would the beneficiaries/community have been without your social venture).

Professional Written Plan

- **Professional Format:** As with all professional documents, the marketing plan should use professional writing including proper grammar, capitalization and sentence structure.
- **Visual Design:** Creating a visually appealing plan to the client will increase readability (through charts, graphics, tables and other visual elements) as well as provide a professional edge on ambitious plans.
- The final social business plan must include an appendix with additional resources that may include (additional research, sample marketing materials, resumes of founders, etc.).
- **Professional Writing:** Professional and academic documents should not use 1st or 2nd person and avoid statements (I, we, you). Although there maybe a few cases where you use them, their and our (i.e our mission statement), attempt to rephrase the sentence for example: "the business, ABC company strives to" www.lz95.net/lzhs/english/wh/RP_Third_Person.htm Avoid contractions, sentence structure, use single spacing (professors preference to save a tree). The writing center has solid tutors to help improve your written work!
- **Sources:** Reference sources and a works cited page is required along with proper citation of sources.
- **Format:** The business world uses APA style for our citations and bibliography. While most of you learned MLA in freshman English, the business community uses APA. Just remember this is a marketing class – so don't turn in a times new roman paper! http://apastyle.apa.org/

FINAL PLAN CHECKLIST

Professional Layout

- ☐ Professional cover page – company name and logo
- ☐ Visual communication of info. with graphics/charts
- ☐ Use section headers and sub-headers
- ☐ Professional and consistent layout
- ☐ Double check the format matches for ALL sections –wording and sub-headers etc.
- ☐ Right mouse click on an image and you can wrap text around them
- ☐ No would/could/should Positive language – the business will ____
- ☐ Page numbers
- ☐ Single space document (save a tree)
- ☐ Customers vs. Consumers!
- ☐ Executive Summary – summarize entire plan

Professional Writing

- ☐ No contractions
- ☐ Use 3rd person
- ☐ Proper grammar and sentence structure
- ☐ Reference page with proper citations – NO outside sources is problematic!
- ☐ Appendix – list all the appendix items in order of where they appear in the plan

All Sections Completed and Edited

- ☐ Executive Summary
- ☐ Theory of Change
- ☐ Sustainable Social Venture B-Model
- ☐ Social Value Proposition
- ☐ Social Business Market Opportunity
- ☐ Management Team Infrastructure
- ☐ Sales & Marketing Plan
- ☐ Implementation Strategy
- ☐ Building a Sustainable Financial Plan
- ☐ Social Impact Plan

Plagiarism Free

- ☐ APA Citations, Plagiarism free (automatic F)

The social venture plan was designed to be similar to the requirements for the Global Social Venture Competition. Business Model components adapted from Osterwalder, A., Yves Pigneur, Smith, A. (2010). Business Model Generation. John Wiley & Sons, Hoboken, New Jersey, and the Social Business Model Canvas.

Final Presentations: Guy Kawasaki: 10-20-30 Rule

9-10 slides with fascinating ideas and key points of your business. Charts, graphs, and pictures are very attractive to the eye, so add some of those in your slides.

Due to time constrains, you will have a max of 8 minutes to get your information across. Practice your presentation so it does not take longer than this time. However, a 5-minute presentation means you did not give enough information. Make it a reasonable time. Questions are not included in this time!

Not everything you say goes in the slides. Key words and points big and clear. Make them look neat and professional. DO not copy paragraphs into slides – create slides that are visually appealing and grab the audience's attention.

Preparation for Presentation

- The competition is intended to showcase the quality of your social business opportunity. Think as if you are presenting to a group of funders who may provide seed capital to invest in your social venture – you want to put your best foot forward.
- The quality of the idea, the strength of the management team, and the clarity and persuasiveness of the written plan and oral presentation, all influence the judges' decisions.
- Ultimately, the winning team should be the team that investors would most likely invest their money.
- The judge's evaluation sheet and ranking of the top teams is guided by the scorecard rubric.
- Teams should bring a backup flash drive of their presentation and load on the computer BEFORE the competition begins.
- The room is equipped with a large-screen projector and a room equipment to run your presentation.
- If a team is using Mac convert the file to PC format (and verity it works as expected).
- Please note that if your presentation contains video, graphics, and/or sound, there is every expectation that your presentation will work properly at the competition. However, based on past experience, we cannot guarantee that video, graphics, and sound will work 100% of the time, so be sure to check your slides before you start. Common problem is that the computer in the room is older and may not have the same font that you utilized so you may have to change the font at the last minute.